



**CITY OF SUNNYVALE
HOUSING DIVISION
BELOW MARKET RATE (BMR) – RENTAL HOUSING PROGRAM
456 W. Olive Avenue, Sunnyvale, CA 94086
Phone: (408) 730-7456
Fax: (408) 737-4906**

NOTICE – BMR-R-06/07-2

DATE: March 30, 2007

TO: Property Owners of Rental Properties, Property Managers,
Operations Managers and Leasing Managers

SUBJECT: **Maximum Allowable BMR Rental Increases**

Administrative Reference

The Administrative Procedures for the Below Market Rate (BMR) Rental Program, dated August 9, 2004, are supplemented by the following;

Updates

1. Maximum Rents, Effective March 1, 2007

Every January, the City Council reviews the results of the Sunnyvale Apartment Vacancy and Rent Survey to determine any revisions to the maximum permitted BMR rents. The Administrative Procedures allow for a maximum of 5% increase per year, based upon an increase of market rents. On January 30, 2007, the City Council approved the following increases:

- Rental increase for **BMR tenants currently occupying units** may not exceed 5% of their current rent. Rents may only be increased upon proper notification by the City and may only occur once in any 12-month period.

See example below:

Apartment Size	Current Monthly Rent	5% Increase (New Monthly Rent)
Studio	\$750	\$788
One Bedroom	\$900	\$945
Two Bedroom	\$1,050	\$1,103
Three Bedroom	\$1,200	\$1,260

- Maximum rents for **new tenants moving into existing properties** with BMR units under program restrictions prior to October 2003 are as follows:

Apartment Size	2006 Maximum Rent	2007 Maximum Rent
Studio	\$1,057	\$1,110
One Bedroom	\$1,209	\$1,269
Two Bedroom	\$1,360	\$1,428
Three Bedroom	\$1,631	\$1,713

2. Annual Report Due by April 2, 2007

Annual Reports covering March 1, 2006 through February 28, 2007 are due to the City of Sunnyvale by 5 p.m. on April 2, 2007 at the following address:

**City of Sunnyvale
Housing Division
Attn. Ernie DeFrenchi
456 W. Olive Avenue
Sunnyvale, CA 94086.**

As a reminder, Annual Reports consist of the following completed Forms:

<u>Form Number</u>	<u>Name of Form</u>
R-10	BMR Annual Report
R-10A	Tenants who have moved in
R-10B	Existing Tenants
R-10C	Tenants who have moved out
R-10D	Vacant Units
R-6	Annual Re-Certification of Occupancy and Income (copy for each tenant)

3. Annual City Audit and Monitoring

City staff will contact you in April to schedule the annual City Audit and Monitoring for each property restricted by the program. As stated in Section 19.66.040 (a), the City shall have access to the property's records and books pertaining to any unit restricted by the program within ten (10) working days of notice to the owner or manager.